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SECURITIES AND EXCHANGE COMMISSION

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DIVISION OF MARKET REGULATION

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549ANNUAL AUDITED REPORT  
FORM X-17A-5  
PART III

OMB APPROVAL	
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## FACING PAGE

Information Required of Brokers and Dealers Pursuant to Section 17 of the  
Securities Exchange Act of 1934 and Rule 17a-5 ThereunderREPORT FOR THE PERIOD BEGINNING 01/01/10 AND ENDING 12/31/10  
MM/DD/YY MM/DD/YY

## A. REGISTRANT IDENTIFICATION

NAME OF BROKER-DEALER: GARTMORE DISTRIBUTION SERVICES, Inc.

ADDRESS OF PRINCIPAL PLACE OF BUSINESS: (Do not use P.O. Box No.)

737 N. MICHIGAN AVENUE, SUITE 1700

(No. and Street)

CHICAGO

(City)

ILLINOIS

(State)

60611

(Zip Code)

NAME AND TELEPHONE NUMBER OF PERSON TO CONTACT IN REGARD TO THIS REPORT

MARTIN SKINNER+44 207 818 2185

(Area Code - Telephone Number)

## B. ACCOUNTANT IDENTIFICATION

INDEPENDENT PUBLIC ACCOUNTANT whose opinion is contained in this Report\*

KPMG LLP

(Name - if individual, state last, first, middle name)

TWO FINANCIAL CENTER, 60 SOUTH STREET, BOSTON

(Address)

(City)

MA

(State)

02111

(Zip Code)

## CHECK ONE:

- ☒ Certified Public Accountant
- ☐ Public Accountant
- ☐ Accountant not resident in United States or any of its possessions.

## FOR OFFICIAL USE ONLY

\*Claims for exemption from the requirement that the annual report be covered by the opinion of an independent public accountant must be supported by a statement of facts and circumstances relied on as the basis for the exemption. See Section 240.17a-5(e)(2)

## OATH OR AFFIRMATION

I, MARTIN ROBERT SKINNER, swear (or affirm) that, to the best of my knowledge and belief the accompanying financial statement and supporting schedules pertaining to the firm of GARTMORE DISTRIBUTION SERVICES, INC., as of DECEMBER 31, 20 10, are true and correct. I further swear (or affirm) that neither the company nor any partner, proprietor, principal officer or director has any proprietary interest in any account classified solely as that of a customer, except as follows:

Martin Skinner  
Signature

CHIEF FINANCIAL OFFICER  
Title

[Signature]  
Notary Public

**RYAN EDWARD RONALD MOODY**  
Notary Public of London, England  
My commission expires with life

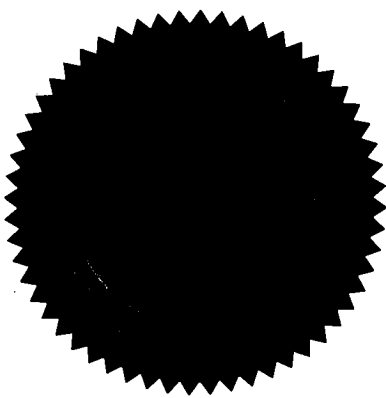
**3rd May 2011.**



This report \*\* contains (check all applicable boxes):

- ☒ (a) Facing Page.
- ☐ (b) Statement of Financial Condition.
- ☐ (c) Statement of Income (Loss).
- ☐ (d) Statement of Changes in Financial Condition.
- ☐ (e) Statement of Changes in Stockholders' Equity or Partners' or Sole Proprietors' Capital.
- ☐ (f) Statement of Changes in Liabilities Subordinated to Claims of Creditors.
- ☒ (g) Computation of Net Capital.
- ☐ (h) Computation for Determination of Reserve Requirements Pursuant to Rule 15c3-3.
- ☐ (i) Information Relating to the Possession or Control Requirements Under Rule 15c3-3.
- ☐ (j) A Reconciliation, including appropriate explanation of the Computation of Net Capital Under Rule 15c3-1 and the Computation for Determination of the Reserve Requirements Under Exhibit A of Rule 15c3-3.
- ☐ (k) A Reconciliation between the audited and unaudited Statements of Financial Condition with respect to methods of consolidation.
- ☒ (l) An Oath or Affirmation.
- ☐ (m) A copy of the SIPC Supplemental Report.
- ☐ (n) A report describing any material inadequacies found to exist or found to have existed since the date of the previous audit.

\*\*For conditions of confidential treatment of certain portions of this filing, see section 240.17a-5(e)(3).



## Schedule I

**GARTMORE DISTRIBUTION SERVICES, INC.**  
 (A Wholly Owned Subsidiary of Gartmore US Holding Company, Inc.)

Computation of Net Capital under Rule 15c3-1  
 of the Securities and Exchange Commission

December 31, 2010

(In thousands)

Computation of net capital:	
Total stockholder's equity	\$ <u>2,050</u>
Deductions and/or charges:	
Nonallowable assets	<u>233</u>
Total deductions and/or charges	<u>233</u>
Net capital	<u>1,817</u>
Computation of basic net capital requirement:	
Minimum net capital required (greater of \$5 or 6 2/3% of aggregate indebtedness)	<u>19</u>
Net capital in excess of requirement	\$ <u><u>1,798</u></u>
Computation of aggregate indebtedness:	
Accounts payable and accrued expenses	\$ 279
Ratio of aggregate indebtedness to net capital	15%

A reconciliation with the Company's computation (included in Part II of form X-17A-5 as of December 31, 2010) is not necessary since there was no material difference between the Company's computation of net capital as included in Form X-17A-5 and that of the information included herein as of December 31, 2010.

See accompanying independent auditors' report.